NJ Environmental Infrastructure Financing Program (NJEIFP)

Borrowers: NJEIT & NJDEP
NJEIFP Financing Program

Partnership to provide low interest loans for water infrastructure

- **NJ Environmental Infrastructure Trust (NJEIT)** – provides AAA funds
  Performs financial, credit and legal and Administrative functions
- **NJ Department of Environmental Protection (DEP)** – provides 0% funds
  Performs Environmental and Engineering review functions

- Eligible **Borrowers** are New Jersey's municipalities, counties, and regional authorities

- Eligible **Projects** are water quality infrastructure projects that improve the State's natural resources and protect the public health.
NJEIFP Financing Program

Project Financing – Current funding package:

75% funds at 0% (DEP) + 25% funds at AAA mkt rate (EIT)

Dollar Savings

- Interest cost Savings ~ 27% over 20yrs; ~ 40% over 30 yrs
- Pay only pro-rata share of underwriting fees

Cash Flow Savings

- No DSR funds required for collateral / no 5% upfront (LFB)
- Capitalized interest on S-T Construction loans – up to 3 yrs

Administrative Savings

- NJEIT handles IRS and SEC reporting issues - minimizes need for consultants or additional staff time
NJEIFP – Clean Water Project Eligibility

**Nonpoint Source (319) Pollution Eligible Projects Include**

- **Stormwater Management Systems / Rehabilitation**
  - Replacement of existing storm drains
  - Rehabilitation of tide gates and extension of outfall points
- **Construction of regional basins**
- **Runoff control**
  - Manure/feedlots
  - Stream bank stabilization/ restoration
- **New Landfills (Water quality aspects) and Closures**
- **Brownfields (Water quality/restoration)**
- **Equipment purchases (street sweepers, skimmer boats, etc.)**
- **Environmentally, water quality sensitive land**
NJEIFP – CSO Financing Options

- Principal Forgiveness Funds
  - $3M total / $1M per Borrower

- S-T Loans
  - P&D: S-T P&D loans to develop long-term control plans (LTCPs)
    - Expectation that plans result in a cap’l project NJEIFP L-T loan
    - Up to 10 yrs at 0% interest from DEP
    - Consistent with Local Finance Law, no Principal repayments for 3 years
  - Capital Improvement construction loans
    - 0% interest from DEP

- L-T Loans:
  - Capital Improvement loans
    - Up to 30 yrs at 0%
    - Projects that reduce or eliminate excessive infiltration/inflow or extraneous flows
NJEIFP – Contact Sheet

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